

FISCAL NOTE

SB 2785 - HB 2562

February 28, 2002

SUMMARY OF BILL: Authorizes the University of Tennessee at Memphis, Chattanooga and Martin to enroll the following out-of-state students without charging out-of-state tuition rates:

- Out-of-state students whose residence is in Crittendon County, Arkansas; or DeSoto, Marshall, or Tate County, Mississippi would be allowed to enroll in the University of Tennessee Health Science Center in its allied health sciences program.
- Out-of-state students whose residence is in Catoosa, Dade, Walker, or Whitfield County, Georgia; or Dekalb or Jackson County, Alabama would be allowed to enroll in the University of Tennessee at Chattanooga.
- Out-of-state students whose residence is in McCracken County, Kentucky would be allowed to enroll at the University of Tennessee at Martin.
- Out-of-state students whose residence is in Alcorn or Tishomingo County, Mississippi would be allowed to enroll at the University of Tennessee at Martin's off-campus facility in Selmer.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - \$2,417,450

Estimate assumes:

- Since the funding formula calculation recognizes out-of-state tuition as a funding source, when out-of-state revenue decreases, the state's share of the formula costs increases. Assumes lost revenues will be replaced with state funds.
- Approximately 369 FTE students from these out-of-state counties who are now attending will be admitted without paying out-of-state tuition rates.
- This estimate does not include any new students from these out-of-state counties who may enroll because of the out-of-state tuition waiver.
- UT Martin - 109 FTE students x \$6530 tuition loss = \$ 711,770
UT Chattanooga - 256 FTE students x \$6530 tuition loss = 1,671,680
UT Memphis - 4 FTE students x \$8500 tuition loss = 34,000
Total Revenue Loss \$2,417,450

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

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A handwritten signature in black ink, reading "James A. Davenport". The signature is written in a cursive style with a large, stylized initial "J".

James A. Davenport, Executive Director